



General Assembly

February Session, 2016

**Governor's Bill No. 9**

LCO No. 555



Referred to Committee on APPROPRIATIONS

Introduced by:

SEN. LOONEY, 11<sup>th</sup> Dist.

SEN. DUFF, 25<sup>th</sup> Dist.

REP. SHARKEY, 88<sup>th</sup> Dist.

REP. ARESIMOWICZ, 30<sup>th</sup> Dist.

***AN ACT CONCERNING TRANSPARENCY IN PUBLIC SPENDING.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 4-67m of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2016*):

3 [(a)] The Office of Policy and Management, in consultation with  
4 each budgeted state agency, shall [develop, for state budgeting  
5 purposes, specific biennial goals and objectives and quantifiable  
6 outcome measures, which shall not be limited to measures of activities,  
7 for each program, service and state grant] establish and maintain  
8 standards for agency data on expenditures and program performance,  
9 including the public availability of such data. Such standards may  
10 include the types of data elements, frequency of publication, the means  
11 of making the data available to the public, priority areas for the  
12 agency, programs funded to implement agency priorities and outcome

13 measures for each program administered or provided by such agency.  
14 The Secretary of the Office of Policy and Management shall [submit an  
15 annual report concerning such goals, objectives and measures to the  
16 joint standing committee of the General Assembly having cognizance  
17 of matters relating to appropriations and the joint standing committee  
18 of the General Assembly having cognizance of matters relating to the  
19 agency. For the biennium beginning July 1, 1995, and for each  
20 biennium thereafter, the annual report shall include an evaluation of  
21 the impact of each program, service and state contract on the family]  
22 identify one or more publicly accessible Internet web sites that provide  
23 regularly updated and maintained data regarding each agency's  
24 performance measures and any source data used for the performance  
25 measures.

26 [(b) The goals, objectives and measures developed for each such  
27 agency pursuant to subsection (a) of this section shall be implemented  
28 for the biennium beginning July 1, 1993. The Office of Policy and  
29 Management, in consultation with each such agency, shall review and  
30 revise such goals, objectives and measures for each biennium  
31 thereafter.]

32 Sec. 2. Section 2-36b of the general statutes is repealed and the  
33 following is substituted in lieu thereof (*Effective July 1, 2016*):

34 (a) No later than November thirtieth each year, the joint standing  
35 committees of the General Assembly having cognizance of matters  
36 relating to appropriations and the budgets of state agencies and  
37 finance, revenue and bonding shall meet with the Secretary of the  
38 Office of Policy and Management, the director of the legislative Office  
39 of Fiscal Analysis, and such other persons as they deem appropriate, to  
40 consider the items submitted pursuant to subsection (b) of this section.

41 (b) On or before November fifteenth, annually, the Secretary of the  
42 Office of Policy and Management and the director of the legislative  
43 Office of Fiscal Analysis shall each submit the following to the joint

44 standing committees of the General Assembly having cognizance of  
45 matters relating to appropriations and the budgets of state agencies  
46 and finance, revenue and bonding: (1) [A] For the current biennium  
47 and the next ensuing three fiscal years, a consensus estimate of state  
48 revenues developed in accordance with subsection (a) of section 2-36c,  
49 an estimate of [expenditures and ending balance for each fund, for the  
50 current biennium and the next ensuing three fiscal years, and the  
51 assumptions on which such estimates are based] the level of  
52 expenditure change from current year expenditures allowable by  
53 consensus revenue estimates in each fund, any changes to current year  
54 expenditures necessitated by fixed cost drivers, and the changes to  
55 current year expenditures required to accommodate fixed cost drivers  
56 without exceeding current revenue estimates; (2) the projected tax  
57 credits to be used in the current biennium and the next ensuing three  
58 fiscal years, and the assumptions on which such projections are based;  
59 (3) a summary of any estimated deficiencies in the current fiscal year,  
60 the reasons for such deficiencies, and the assumptions upon which  
61 such estimates are based; (4) the projected balance in the Budget  
62 Reserve Fund at the end of each uncompleted fiscal year of the current  
63 biennium and the next ensuing three fiscal years; (5) the projected  
64 bond authorizations, allocations and issuances in each of the next  
65 ensuing five fiscal years and their impact on the debt service of the  
66 major funds of the state; (6) an analysis of revenue and expenditure  
67 trends and of the major cost drivers affecting state spending, including  
68 identification of any areas of concern and efforts undertaken to  
69 address such areas, including, but not limited to, efforts to obtain  
70 federal funds; and (7) an analysis of possible uses of surplus funds,  
71 including, but not limited to, the Budget Reserve Fund, debt retirement  
72 and funding of pension liabilities.

73 (c) On or before November 15, 2010, and annually thereafter, the  
74 Secretary of the Office of Policy and Management shall submit to the  
75 joint standing committees of the General Assembly having cognizance  
76 of matters relating to appropriations and the budgets of state agencies

77 and finance, revenue and bonding for the biennium commencing July  
78 1, 2011, and each biennium thereafter, a summary in electronic  
79 database format of all nonappropriated moneys held by each budgeted  
80 agency, which shall be an accounting of moneys received or held by  
81 the agency that are authorized or received by any manner other than  
82 as an appropriation, at the end of the last-completed fiscal year in a  
83 form consistent with accepted accounting practice.

84 Sec. 3. Section 4-71 of the general statutes is repealed and the  
85 following is substituted in lieu thereof (*Effective July 1, 2016*):

86 Not later than the first session day following the third day of  
87 February in each odd-numbered year, the Governor shall transmit to  
88 the General Assembly a budget document setting forth his financial  
89 program for the ensuing biennium with a separate budget for each of  
90 the two fiscal years and having the character and scope hereinafter set  
91 forth, and a report which sets forth estimated revenues and  
92 expenditures for the three fiscal years next ensuing the biennium to  
93 which the budget document relates. If the Governor has been elected  
94 or succeeded to the office of Governor since the submission of the last-  
95 preceding budget document, he shall transmit such document and  
96 report to the General Assembly not later than the first session day  
97 following the fourteenth day of February. In the even-numbered years,  
98 on the day on which the General Assembly first convenes, the  
99 Governor shall transmit a report on the status of the budget enacted in  
100 the previous year with any recommendations for adjustments and  
101 revisions, and a report, with revisions, if any, which sets forth  
102 estimated revenues and expenditures for the three fiscal years next  
103 ensuing the biennium in progress. The budget document shall consist  
104 of four parts, the nature and contents of which are set forth in sections  
105 4-72, 4-73, as amended by this act, 4-74 and 4-74a and shall be  
106 accompanied by the statement of grants to towns compiled pursuant to  
107 the provisions of section 4-71a and by the computation of the cost of an  
108 indexed increase in assistance payments made pursuant to section 4-  
109 71c. The report which sets forth estimated revenues and expenditures

110 for the three fiscal years next ensuing the biennium shall contain, for  
111 each such year, estimated revenues, itemized by major source, and  
112 estimated expenditures for each budgeted agency. [for personal  
113 services, other expenses, other current expenses, equipment, payments  
114 to local governments, and other than payments to local governments.]  
115 Such report transmitted in the even-numbered years shall contain the  
116 assumptions on which the estimated revenues and expenditures for  
117 the fiscal year next ensuing are based. [and shall set forth estimated  
118 revenues and expenditures in the same detail contained in the budget  
119 document.]

120 Sec. 4. Section 4-73 of the general statutes is repealed and the  
121 following is substituted in lieu thereof (*Effective July 1, 2016*):

122 (a) The budget document shall present in detail for each fiscal year  
123 of the ensuing biennium the Governor's recommendation for  
124 appropriations to meet the expenditure needs of the state from the  
125 General Fund and from all special and agency funds classified by  
126 budgeted agencies and showing for each budgeted agency and its  
127 subdivisions: (1) A narrative summary describing the agency, the  
128 Governor's recommendations for appropriations for the agency, [and a  
129 list of agency programs,] the actual expenditure for the last-completed  
130 fiscal year, the estimated expenditure for the current fiscal year, the  
131 amount requested by the agency and the Governor's recommendations  
132 for appropriations for each fiscal year of the ensuing biennium; (2) a  
133 summary of permanent full-time positions by fund, setting forth the  
134 number filled and the number vacant as of the end of the last-  
135 completed fiscal year, the total number intended to be funded by  
136 appropriations without reduction for turnover for the fiscal year in  
137 progress, the total number requested and the total number  
138 recommended for each fiscal year of the biennium to which the budget  
139 relates.

140 [(b) In addition, programs shall be supported by: (1) The statutory  
141 authorization for the program; (2) a statement of program objectives;

142 (3) a description of the program, including a statement of need,  
143 eligibility requirements and any intergovernmental participation in the  
144 program; (4) a statement of performance measures by which the  
145 accomplishments toward the program objectives can be assessed,  
146 which shall include, but not be limited to, an analysis of the workload,  
147 quality or level of service and effectiveness of the program; (5)  
148 program budget data broken down by major object of expenditure,  
149 showing additional federal and private funds; (6) a summary of  
150 permanent full-time positions by fund, setting forth the number filled  
151 and the number vacant as of the end of the last-completed fiscal year,  
152 the total number intended to be funded by appropriations without  
153 reduction for turnover for the fiscal year in progress, the total number  
154 requested and the total number recommended for each fiscal year of  
155 the biennium to which the budget relates; (7) a statement of  
156 expenditures for the last-completed and current fiscal years, the  
157 agency request and the Governor's recommendation for each fiscal  
158 year of the ensuing biennium and, for any new or expanded program,  
159 estimated expenditure requirements for the fiscal year next succeeding  
160 the biennium to which the budget relates; and (8) an explanation of  
161 any significant program changes requested by the agency or  
162 recommended by the Governor.

163 (c) There shall be a supporting schedule of total agency  
164 expenditures including a line-item, minor object breakdown of  
165 personal services, energy costs, contractual services and commodities  
166 and a total of state aid grants and equipment, showing the actual  
167 expenditures for the last-completed fiscal year, estimated expenditures  
168 for the current fiscal year and requested and recommended  
169 appropriations for each fiscal year of the ensuing biennium, classified  
170 by objects according to a standard plan of classification.]

171 [(d)] (b) All federal funds expended or anticipated for any purpose  
172 shall be accounted for in the budget. The document shall set forth a  
173 listing of federal programs, showing the actual expenditures for the  
174 last-completed fiscal year, estimated expenditures for the current fiscal

175 year and anticipated funds available for expenditure for each fiscal  
176 year of the ensuing biennium. Such federal funds shall be classified by  
177 each budgeted agency but shall not include research grants made to  
178 educational institutions.

179     ~~[(e)]~~ (c) The budget document shall also set forth the budget  
180 recommendations for the capital program, to be supported by  
181 statements listing the agency's requests and the Governor's  
182 recommendations with the statements required by section 4-78.

183     ~~[(f)]~~ (d) The appropriations recommended for the legislative branch  
184 of the state government shall be the estimates of expenditure  
185 requirements transmitted to the Secretary of the Office of Policy and  
186 Management by the Joint Committee on Legislative Management  
187 pursuant to section 4-77 and the recommended adjustments and  
188 revisions of such estimates shall be the recommended adjustments and  
189 revisions, if any, transmitted by said committee pursuant to said  
190 section 4-77.

191     ~~[(g)]~~ (e) (1) The appropriations recommended for the Judicial  
192 Department shall be the estimates of expenditure requirements  
193 transmitted to the Secretary of the Office of Policy and Management by  
194 the Chief Court Administrator pursuant to section 4-77 plus the  
195 estimates of expenditure requirements for the biennium transmitted by  
196 said administrator pursuant to section 51-47c, and the recommended  
197 adjustments and revisions of such estimates shall be the recommended  
198 adjustments and revisions, if any, transmitted by said administrator  
199 pursuant to section 4-77.

200     (2) The appropriations recommended for the Division of Public  
201 Defender Services shall be the estimates of expenditure requirements  
202 transmitted to the Secretary of the Office of Policy and Management by  
203 the Chief Public Defender pursuant to section 4-77 and the  
204 recommended adjustments and revisions of such estimates shall be the  
205 recommended adjustments and revisions, if any, transmitted by said

206 administrator pursuant to section 4-77.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2016</i>	4-67m
Sec. 2	<i>July 1, 2016</i>	2-36b
Sec. 3	<i>July 1, 2016</i>	4-71
Sec. 4	<i>July 1, 2016</i>	4-73

***Statement of Purpose:***

To implement the Governor's budget recommendations.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*